



## **Texas Department of Insurance**

### **Division of Workers' Compensation**

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

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## **MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION**

### **GENERAL INFORMATION**

**Requestor Name**

Elite Healthcare South Dallas

**Respondent Name**

East Texas Educational Insurance Association

**MFDR Tracking Number**

M4-14-2972-01

**Carrier's Austin Representative**

Box Number 17

**MFDR Date Received**

May 28, 2014

### **REQUESTOR'S POSITION SUMMARY**

**Requestor's Position Summary:** "I have received only partial payments for the following dates of services: 1/27/14, 1/28/14, 1/29/14, 2/12/14, 2/13/14, 2/17/14, 2/18/14, 2/26/14, 3/5/14, 3/6/14, and 3/10/14.

The denials states that allowance has been reduced per the multiple procedure payment reduction for selected therapy services. I have enclosed the Novitas Medicare Fee Schedule that we use. Please note that for 4 units of aquatic therapy (97113) the price is \$272.97. We are billing the correct amount and there is no reason it should be reduced due to 'multiple procedure'. **We are not billing multiple procedures. 97113 was the only procedure billed for each of these dates of services, and it was billed only ONCE per date of service.**

**Therefore, this denial is incorrect and should be PAID IN FULL immediately.** I have included all necessary documentation."

**Amount in Dispute:** \$912.91

### **RESPONDENT'S POSITION SUMMARY**

**Respondent's Position Summary:** "The provider has supplied documentation as to the allowable for this procedure code, but fails to recognize that CMS adopted a Multiple Procedure Payment Reduction (MPPR) for Selected Therapy Services. Effective for claims with dates of service April 1, 2013 and after, Section 633 of the American Taxpayer Relief Act of 2012 revised the reduction to 50 percent for both office and institutional settings. As all of the dates of service on this MDR occurred after April 1, 2013, our position is that the reductions were applied correctly and no further reimbursement is due."

**Response Submitted by:** Claims Administrative Services, Inc., 501 Shelley Dr., Tyler, TX 75701

### **SUMMARY OF FINDINGS**

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 27 – March 10, 2014	Aquatic Therapy/Exercises	\$912.91	\$140.23

### **FINDINGS AND DECISION**

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.

2. 28 Texas Administrative Code §134.203 sets out the fee guidelines for professional medical services.
3. 28 Texas Administrative Code §134.1 sets forth general provisions related to medical reimbursement.
4. Texas Labor Code §413.011 sets forth provisions regarding reimbursement policies and guidelines.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:
  - W1 – Workers’ compensation jurisdictional fee schedule adjustment
  - 0650 – Allowance is reduced per the multiple procedure payment reduction for selected therapy services.
  - 0790 – This charge was reimbursed in accordance to the Texas Medical Fee Guideline.

### **Issues**

1. What is the recommended payment amount for the services in dispute?
2. Is the requestor entitled to additional reimbursement?

### **Findings**

1. Procedure code 97113 for each service date requested represents a professional service with reimbursement determined per §134.203(c), which states, “To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.”

The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR for workers’ compensation is calculated by substituting the Division conversion factor in place of the Medicare conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.44616. The practice expense (PE) RVU of 0.76 multiplied by the PE GPCI of 1.013 is 0.76988. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.803 is 0.00803. The sum of these three products is 1.22407, which is multiplied by the Division conversion factor of \$55.75 for a MAR of \$68.24.

Section 633 of the American Taxpayer Relief Act of 2012, effective April 1, 2013, increased the MPPR, stating, “Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The MPPR applies to the PE payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Full payment is made for the unit or procedure with the highest PE payment. Effective for claims with dates of service April 1, 2013 and after, full payment is made for the work and malpractice components and 50 percent payment is made for the PE for subsequent units and procedures, furnished to the same patient on the same day.”

This procedure has the highest PE for each date. The first unit is paid at \$68.24. The PE reduced rate is \$46.78 at 3 units is \$140.34. The total allowable for CPT Code 97113 for each date of service from 1/27/14 – 3/10/14 is \$208.58.

2. The total allowable reimbursement for the services in dispute is \$2,502.96. This amount less the amount previously paid by the insurance carrier of \$2,362.73 leaves an amount due to the requestor of \$140.23. This amount is recommended.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$140.23.

### ***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$140.23 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

### **Authorized Signature**

\_\_\_\_\_  
Signature

Laurie Garnes  
Medical Fee Dispute Resolution Officer

December 29, 2014  
Date

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**